

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35704]

Carload Express, Inc.-Continuance in Control Exemption-Ohio Terminal Railway
Company

Carload Express, Inc. (CEI) has filed a verified notice of exemption pursuant to 49 CFR 1180.2(d)(2) to continue in control of Ohio Terminal Railway Company (OTRC), upon OTRC's becoming a Class III rail carrier. OTRC is a wholly owned, corporate subsidiary of CEI.

This transaction is related to a concurrently filed verified notice of exemption in Ohio Terminal Railway Company—Operation Exemption—Hannibal Real Estate, LLC, Docket No. FD 35703, wherein OTRC seeks Board approval to operate a 12.2-mile line, known as the Omal Secondary Track, from milepost 60.5 at or near Powhatan Point, to milepost 72.7 at or near Hannibal, in Monroe County, Ohio.

CEI intends to consummate the transaction on January 27, 2013 (the effective date of this notice).

CEI currently controls three Class III rail carriers: Allegheny Valley Railroad Company, Southwest Pennsylvania Railroad Company, and Camp Chase Railroad Company. The three Class III rail carriers operate rail lines in Pennsylvania and Ohio.

CEI certifies that: (1) the rail lines to be operated by OTRC do not connect with any other railroads in the CEI corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect the rail lines to be operated by

CEI with any other railroad in the CEI corporate family; and (3) the transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under §§ 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here because all of the carriers involved are Class III carriers.

If the notice contains false or misleading information, the exemption is void <u>ab</u> <u>initio</u>. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Stay petitions must be filed no later than January 18, 2013 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35704, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Richard R. Wilson, 518 N. Center Street, Ste. 100, Ebensburg, PA 15931.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Decided: January 8, 2013.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.

Jeffrey Herzig

Clearance Clerk

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